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ELIGIBILITY REVIEW 2008 ACTIVITY UPDATE

The Community Services and Housing Committee recommends the adoption of the recommendation contained in the following report dated May 1, 2009, from the Commissioner of Community and Health Services.

1. RECOMMENDATION

It is recommended that:

1. This report be received for information

2. PURPOSE

This report provides an update on the activities of the Eligibility Review Team in 2008. The Eligibility Review Team, a unit within the Business and Quality Assurance Branch of the Community and Health Services Department, conducts reviews and investigations concerning the eligibility of York Region clients for financial assistance, and recovers monies owing to York Region. All of these activities are essential due diligence functions and result in revenue recovery and cost avoidance for the Region.

3. BACKGROUND

Legislated Eligibility Review Program ensures accountability

The Eligibility Review Team was established in 1992 to deliver a provincially mandated audit and investigation function regarding eligibility of York Region clients who received financial assistance under the *Ontario Works Act*. Since 2003, the Team's mandate has expanded to include the audit and investigation function for the Rent-Geared-to-Income (Housing) Assistance Program and for the Child Care Fee Assistance Program.

The objectives of the Eligibility Review Team are to:

- Audit client files to ensure compliance with legislation and policy.
- Investigate suspected fraud.
- Recover money owing to York Region as a result of overpayments, assignments and restitution.
- Represent York Region at the Social Benefits Tribunal Appeal Hearings

In addition to its investigative and collections roles, the Team acts as an expert program resource to staff, participates in both regional and provincial policy development and

participates on Community and Health Services Department's program management committees and groups.

4. ANALYSIS AND OPTIONS

Cases are reviewed through referrals

In 2008, the Team received 1,059 referrals. Referrals come from information-sharing agreements with the provinces (e.g. automated data matches with Ontario Student Assistance Program (OSAP) and the Ministry of Community Safety and Correctional Services), the provincial fraud hotline; the community and staff.

Every complaint and referral is investigated by an Eligibility Review Officer. Investigations may be completed on both active clients and inactive clients (clients no longer in receipt of program benefits).

Acting on referrals, staff investigate a variety of situations; for example, evidence or allegations that clients have undeclared income or assets, or where there may have been a change in family size or circumstances.

The Eligibility Review Team completed 1,122 investigations consisting of 1,012 Ontario Works cases, 93 housing cases and 17 child care cases. In addition, 155 child care file reviews and 26 Ontario Works file reviews were completed.

Approximately 22% of York Region's Ontario Works case files were investigated in 2008 resulting in changes in financial assistance to approximately 10% of the total Ontario Works case files.

An analysis of Eligibility Review activities for all programs is outlined in Table 1.

Table 1
Analysis of Investigations Completed- All Programs

Activity	2006	2007	2008
Assistance Terminated	148	127	94
Assistance Reduced	30	25	33
Insufficient Evidence	144	106	137
Allegation Untrue	26	23	40
Referred to Outside of Region	56	72	105
Overpayment Recorded	448	429	371
Investigations Completed	1,154	1,118	1,122
Client File Reviews	158	239	181

Restitution – Referrals to Police

Should an investigation indicate a probable intent to defraud, the Eligibility Review Officer prepares a detailed referral package of evidence (commonly called a Police Package) for York Regional Police. In turn, the police complete their investigation and lay charges, if warranted. A summary of police referral activity is noted in Table 2.

Table 2
Analysis of Police Referrals

Activity	2006	2007	2008
Percentage of Investigations Referred to Police	.9%	.9%	.6%
Referrals to Police	10	10	7

During 2008, disposition was made on six court cases. The disposition results are noted in Table 3. The cases resulted in 4 convictions, 2 withdrawals and 4 orders for restitution. Total restitution ordered was \$41,400.

Table 3
Analysis of Disposition

Activity	2006	2007	2008
Total Dispositions	10	12	6
Restitution	5	7	4
Incarceration	0	1	0
Probation (Includes Community Service)	2	6	3
Conditional Discharge	0	8	0
Conditional/Suspended Sentence	5	2	4
Withdrawn by Crown	5	1	2
Total Restitution Ordered	\$57,184	\$122,468	\$41,400

Recoveries through Ontario Works assignments and reimbursements

To remain eligible for Ontario Works, recipients are required to assign their rights to York Region for any other monies that they may be entitled to receive during the time they receive assistance, and they are required to reimburse York Region for assistance paid to them through any other source (e.g. Employment Insurance, Workplace Safety & Insurance Board, and Canada Pension Plan).

In 2008, York Region recovered \$851,941 through assignments and reimbursements. These Ontario Works recoveries are the largest source of the Team's recoveries. Further information on assignments and reimbursements is provided in Table 4 in the Financial Implications Section of this report.

Collection of recoveries from inactive cases

Some clients leave our programs with a debt still owing to York Region. In 2008, the Team collected overpayments totalling \$265,921 from clients who have left the Ontario Works Program, the Child Care Fee Assistance Program, or where they were former tenants of Housing York Inc. Overpayment recoveries since 2006 are noted in Table 4.

Earlier this year the Team initiated “enhanced” collections through the use of third party collection agencies for delinquent Housing York Inc. and Ontario Works accounts in an effort to exhaust all recovery options.

Savings through cost avoidance

There were 94 active cases terminated as a result of investigations in 2008. As a result, York Region realized savings of \$744,360 in 2008 based on a cost avoidance calculation of what assistance costs would have been had the 94 cases remained open for an additional 12 months. The Region saved an additional \$84,648 over 12 months through cost avoidance in cases where assistance was reduced.

Current recession will impact workload

In 2009 the Team will monitor the workload impacts due to the increasing Ontario Works caseload. In the first two months of 2009 the Team experienced an increased assignment workload, mainly due to new applicants pending Employment Insurance and it is expected to increase further.

5. FINANCIAL IMPLICATIONS

The Eligibility Review Team completed investigations on 1,122 cases resulting in gross recoveries and savings of \$1,976,870. The majority of these recoveries, which included potential fraud situations and cost avoidance savings, would have been lost without the services of this team. A summary analysis of recoveries and savings is outlined in Table 4.

Table 4
Gross Recoveries and Savings

Activity	2006	2007	2008
Assignments and Reimbursements	\$ 834,391	\$ 914,808	\$ 851,941
Recoveries from Inactive Cases	277,025	184,688	265,921
Total Recoveries	1,111,416	1,099,496	1,117,862
Cost Avoidance - Reduced Assistance	91,728	50,640	84,648
Cost Avoidance - Terminated Cases	1,157,436	954,144	774,360
Total Recoveries and Savings	\$2,360,580	\$2,104,280	\$1,976,870

Total Regional Recovery (20%)	\$472,116	\$420,856	\$395,374
Total Provincial Recovery (80%)	\$1,888,464	\$1,683,424	\$1,581,496

Of recovered monies for Ontario Works and Child Care Fee Assistance, 80% is returned to the Province while 20% is retained by the Region. It should be noted that although the investigation and collection function for Ontario Works and the Social Housing Program is legislatively required, the Child Care Fee Assistance Program in the Social Services Branch of the Community and Health Services Department provides this function as a best practice.

6. LOCAL MUNICIPAL IMPACT

Lower regional costs associated with social assistance, child care and housing are a positive benefit for local municipalities. The Eligibility Review Team ensures program integrity and applies fair and consistent collection practices in the Ontario Works Program, the Rent-Geared-To-Income (Housing) Assistance Program and the Child Care Fee Assistance Program.

7. CONCLUSION

The Eligibility Review Team performs a fiscally accountable service for York Region. In addition to its investigative and collections roles, the Team acts as an expert program resource to staff and participates in policy development and program management committees.

For more information on this report, please contact Dennis Norton, Managing Director, Business Operations and Quality Assurance at Ext. 2088.

The Senior Management Group has reviewed this report.